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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 945
OREGON HEALTH AUTHORITY
HEALTH INSURANCE MARKETPLACE

FILED

02/28/2022 2:02 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: 2023 Health Insurance Marketplace Qualified Health Plan and Stand Alone Dental Plan Annual Assessment Rates

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 03/28/2022 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Salem, OR 97301

Filed By:
Pete Edlund
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 03/24/2022

TIME: 10:00 AM - 11:00 AM

OFFICER: Victor Garcia

ADDRESS: Remote Meeting Only

500 Summer St NE

Salem, OR 97301

SPECIAL INSTRUCTIONS:

MS Teams Virtual Hearing Link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_Y2Y2YWl5NjctZWJlYi00NjBkLTImZDAyY2l1ODVIYzljNjg1%40thread.v2/0?context=%7b%22id%22%3a8d39-499c-8f48-13adc9452f4c%22%2c%22Oid%22%3a%228b21f123-b0bb-44b0-b60c-f293f930e326%22%7d

NEED FOR THE RULE(S)

ORS 741.105 and Senate Bill 65 (2021) require the Oregon Health Authority (OHA) to establish assessment rates for qualified health plans and stand alone dental plans sold through the health insurance marketplace. The assessment is the funding source for the Oregon Health Insurance Marketplace's operations and support for qualified health plan enrollment. These rates are reviewed annually, adjusted based on budget and enrollment projections, and updated by amending 945-030-0030.

The amendment maintains the assessment rates of \$5.50 per member per month (PMPM) for qualified health plans and \$0.36 PMPM for stand-alone dental plans in calendar year 2023.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORS 741.102 and 741.105, and applicable amendments made by SB 65 (2021). The text for both statutes and the Senate bill are available through the Oregon Legislature's website:
www.oregonlegislature.gov

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

The Health Insurance Marketplace Advisory Committee (HIMAC) was consulted as the advisory group for the proposed amendment. The HIMAC is comprised of a diverse group of members including consumers, insurers, insurance agents, and application assisters who represent the Oregonians they live with and assist in getting health coverage. The meeting in which the proposed changes was discussed was a public forum held virtually, allowing people from any community to attend and share public comment.

Since there is no change to the assessment rate from the previous year, Oregonians generally will not see any economic impacts that we can identify. However, this assessment funds Marketplace operations annually, and is calculated according to the projected needs based on previous legislatively approved budgeted activities and on projected enrollment. Impacts to racial equity would come from the program activities requested and authorized in that budget, which are then funded by the assessment in this rule.

Within that context, the Oregon Health Authority (OHA) has committed to equity-centered health policy reform strategies for Oregon, and to anti-racist and equity-centered policies and ideals as an organization. As part of the Marketplace's integration into OHA's Health Policy and Analytics division after completing a transfer to OHA according to SB 65 (2021), a primary focus added to future budgets will be the ways in which the Marketplace can help advance those strategies and end health inequity by 2030, while improving on our current efforts:

The Marketplace's mission is to empower Oregonians to improve their lives through local support, education, and access to affordable, high-quality health coverage. We accomplish this primarily through outreach and education, both directly with communities and through digital and other media. With a small staff, partnering with a diverse group of community organizations, community leaders, chambers of commerce, cultural liaisons, faith-based organizations, and other government units is critical to our success. Our outreach staff have annual strategic plans for the engagement of these communities and partners, including partnership and engagement with tribes in Oregon.

Without a state-based technology platform, the Marketplace is not confident that it will have adequate data to support needed changes that address health inequities and racial and other disparities present within the current system. Future budget requests will include changes to the program that, if approved, will greatly improve the quantity and quality of the demographic data available to the Marketplace. It will also include any program changes resulting from consultation with other OHA units is assessing levers available to the Marketplace that could assist with these strategic efforts. In turn, this will help us be as efficient and effective as possible in identifying areas of greatest need and applying the resources we have for the greatest possible impact to improving equity as can be affected by our program.

Subsequent amendments to this rule will be impacted by any budget impacts and process changes from these continued efforts.

FISCAL AND ECONOMIC IMPACT:

This assessment funds all of the Marketplace's operations and support for qualified health plan enrollment, and the direct fiscal impact to the Marketplace within the Oregon Health Authority (OHA) is accounted for in budget forecasts and enrollment projections. After agency fiscal analysis, the proposed rates have been determined to be the most efficient amounts for continued Marketplace operations entering the 2023 calendar year, striking a

balance for the lowest probability of either a funding deficit or unnecessary surplus. The rates are assessed annually and adjustments can be made each year.

Since the proposed 2023 rates are the same as those in 2022, there is no expected fiscal or economic impact to other parties or stakeholders resulting from this amendment.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) The changes to the rule will not impact state agencies other than OHA or units of local government. OHA is proposing these rates based on economic models and budget projections. The Marketplace assessment is paid out of premiums of the individual health insurance plans purchased through the Marketplace by Oregonians. Since the rate is not changing, members of the public purchasing insurance through the Marketplace and individual insurance carriers participating in the Marketplace should see no economic impact related to this amendment.

(2)(a) This rule does not impact small businesses directly, and has no indirect impact we have been able to identify

(b) There are no additional reporting, recordkeeping or administrative activities or costs required to comply with the rule;

(c) There are no additional professional services, equipment supplies, labor, or increased administration required for small businesses to comply with the rule amendments.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Although this amendment did not have any identified impacts to small businesses, small business interests were represented by two members of the rule advisory committee.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 945-030-0030

RULE SUMMARY: The amendment to 945-030-0030 maintains the assessment rate of \$5.50 for qualified health plans per member per month (PMPM) and \$0.36 for stand-alone dental plans PMPM in calendar year 2023.

CHANGES TO RULE:

945-030-0030

Administrative Charge on Insurers and Health Care Service Contractors ¶¶

(1) Effective January 1, 2015, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$9.66 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.97 times the number of members enrolled through the Marketplace in that month.¶¶

(2) Effective January 1, 2016, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$9.66 times the number of members enrolled through the Marketplace in that month¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.97 times the number of members enrolled through the Marketplace in that month.¶¶

(3) Effective January 1, 2017, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$6.00 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.57

times the number of members enrolled through the Marketplace in that month.¶

(4) Effective January 1, 2018, each health insurer or health care service contractor offering:¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$6.00 times the number of members enrolled through the Marketplace in that month.¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.57 times the number of members enrolled through the Marketplace in that month.¶

(5) Effective January 1, 2020, each health insurer or health care service contractor offering:¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.¶

(6) Effective January 1, 2021, each health insurer or health care service contractor offering:¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.¶

(7) Effective January 1, 2022, each health insurer or health care service contractor offering:¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.¶

(8) Effective January 1, 2023, each health insurer or health care service contractor offering:¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.

Statutory/Other Authority: ORS 741.002

Statutes/Other Implemented: ORS 741.105